

Los Alamos National Laboratory — Supplemental Instructions

Section: 4 **Administrative Matters**

Subject: 4.9 **Contract Review Board**

PURPOSE: This Supplemental Instruction (SI) establishes the procedures for the review of procurement actions by the Contract Review Board (CRB).

POLICY: Large dollar-value subcontracts and subcontracts of a complex nature shall be reviewed by an independent panel of procurement personnel before award to assess the integrity of the procurement process and ensure compliance with University and Laboratory procurement policies and procedures.

SCOPE: This SI applies to

- All transactions exceeding the team leader's authority;
- All subcontracts of a complex nature (such as those requiring source selections or cost analysis), letter subcontracts, precontract cost agreements, and definitized letter subcontracts exceeding \$1 million;
- All transactions that require DOE approval; and
- Any transaction for which a review is requested by a team leader or the BUS-2, -3, -5, or -8 group leaders.

Exceptions The following transactions do not require CRB review at any dollar level:

- Orders with DOE M&O contractors (see SP 8.4, Orders with DOE M&O Contractors);
- Orders from government sources of supply (see SP 8.2, Government Sources of Supply);
- Leases of real property;
- Memorandum agreements with the University of California within the Laboratory's delegated authority (see SP 44.1, Intra-University Transactions);
- Funding actions or modifications to exercise an option when the terms, conditions, and pricing of the option was previously reviewed by the CRB as part of the subcontract award or a preceding modification;

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SCOPE: (cont)

- Consultant and personal services agreements; or
- Memberships.

DEFINITION:

Transaction

A transaction, as used herein, is a subcontract, purchase order, supplemental agreement, modification, change order, task order, or work release.

PROCEDURES:

Background

Unless authorized in advance by the Procurement Group Leader, the CRB review must be conducted before the procurement action is submitted to the Procurement Group Office for approval.

Composition of the CRB

The CRB chairperson is assigned by the Procurement Group Leader (BUS-5). At his discretion, the Procurement Group Leader may designate a chairperson for a specific procurement action. At his/her discretion, the CRB chairperson may select a subject-matter expert to participate in the CRB and/or representatives of the requesting organization, Laboratory Counsel, cost/price analysts, or any other individual considered necessary to facilitate the review.

Timeframe

CRB packages must be submitted to the chairperson sufficiently in advance to be adequately studied before review. Normally, packages will be reviewed in the same week in which they were submitted. Requests for emergency reviews should be infrequent. The need for an emergency review should be discussed in advance with the CRB chairperson.

Composition of the CRB Package

The CRB package must consist of the following documents:

- A negotiation memorandum (see SP 4.2, Negotiation Memorandum) signed by the procurement specialist and his/her team leader. The memorandum must contain a complete chronology of the procurement action and conclude with a statement regarding all required reviews and approvals.
- Attachments to the negotiation memorandum consisting of copies of all pertinent documents relating to the procurement action. At a minimum, the attachments must include

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PROCEDURES: (cont)

- The purchase request;
- The statement of work and/or specification;
- The solicitation and any amendments thereto;
- All proposals, revisions to proposals, and best-and- final offers;
- All evaluations of the technical and/or proposals;
- Documentation of negotiations;
- Documentation of all required reviews and/or approvals; and
- Any other documentation that provides a clear and complete description of the procurement action.

CRB Findings

The CRB chairperson will issue written findings for each procurement action reviewed. The findings must contain a discussion of any issues that need to be clarified, discrepancies that need to be corrected, and a recommendation to the Procurement Group Office for approval or disapproval of the procurement action. Copies of CRB comments must be provided to the procurement specialist, the cognizant team leader, each member of the CRB, and the Procurement Group Office.

Response to the CRB Comments — The procurement specialist must resolve all findings and resubmit the CRB package, along with a formal response to the CRB findings, through his/her team leader to the chairperson for final review. The chairperson will review the response and all corrective actions taken and annotate concurrence with the corrective actions taken or refer the procurement action to the Procurement Group Office for further review.

Documentation

A copy of the CRB's comments and the procurement specialist's response to the CRB comments must be retained in the subcontract file.

**REVIEWS/
APPROVALS:
CRB**

The CRB must conduct a preaward review of all transactions covered under Scope, above.

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RESPONSIBILITIES:

Procurement Specialist

The procurement specialist must

- Prepare a negotiation memorandum and CRB package following the above guidelines;
- Obtain CRB review of the procurement actions covered under Scope, above;
- Resolve all issues, questions, and discrepancies identified by the CRB before the procurement action is submitted for approval; and
- Retain a copy of the CRB comments and response in the subcontract file.

CRB Chairperson

The Contract Review Board chairperson must

- Issue written findings for each transaction reviewed;
- Review the procurement specialist's response and all corrective actions taken; and
- Annotate concurrence with the corrective actions taken or refer the procurement action to the Procurement Group Office for further review.